



THE REPORT OF THE PROPERTY OF



Welcome to TACOM's Advanced Planning & Briefing for Industry "Building Partnerships for the 21 st Century"

MG Roy E. Beauchamp, Commanding General 27 October 1998

Committed to Excellence





Partnerships and Relationships

- The TACOM Challenge
- Our Mission and Vision
- TACOM's Move To The 21st Century
- Business and Customer Base

The National Challenge

Multi-functional
Teams

Integrated Data
Environment

By 2010, the DoD weapon system life cycle will be a fully integrated process, dedicated to Reduced effective and efficient support of the US and **Cycle Tim** Allied warfighters: guided by metrics, accountability, and incentives; integrated **Focused** through distributed, near real-time, intellige **Logistics** exchange of digital information and information models: across the global community; and maximizing the use of commere Maximizing the use of commercial capabilities capabilities.

Manage Costs and Improve Quality

Integrated Business Environment

-J. Gansler

Seamless Integration of Life Cycle

TACOM MISSION

FORCE

-To Generate Warfighting Capability for the Army

-To Sustain the Warfighting Readiness of the Army



3,341 Weapon Systems 34, 138 NSNs 300 Systems in Acq Pipeline -Serve as the Life Cycle Manager and Integrator for Ground Combat Equipment

Tank-automotive & Armaments COMmand

Research, Develop, Field and Support Mobility and Armament Systems Total Life Cycle

To Support Army Readiness

Combat Vehicles

Tactical Vehicles

Trailers

Construction Equipment

Materiel Handling Equipment Howitzers

Tactical Bridges

Fuel & Water Distribution Egpt

Sets, Kits & Outfits

Shop Equipment

Chemical Defense Equipment

Large Caliber Guns

Mortars Rail

Watercraft Rifles

Machine Guns Petro & Lub Eqpt

Ammo

Aircraft Armaments

Demolitions & Explosives

TACOM Of The Future

Taking Ane Plans Amy ision he 21st

Century Tank-Automotive & Armaments Command

•To make the technology and sustainment systems work for soldiers through the seamless integration of S&T, R&D, acquisition, log sustainment and soldier readiness.

•

•To create an integrated business environment at TACOM where every associate understands the requirement to control costs and manage from the customer perspective and understands their inherent responsibility to do so.

Vision For The Future Business Environment at TACOM

A fully integrated business environment connected by a fully integrated data environment using commercial business processes to integrate business operations within each organization, across major Commands, across Services, across DoD and across Industry.

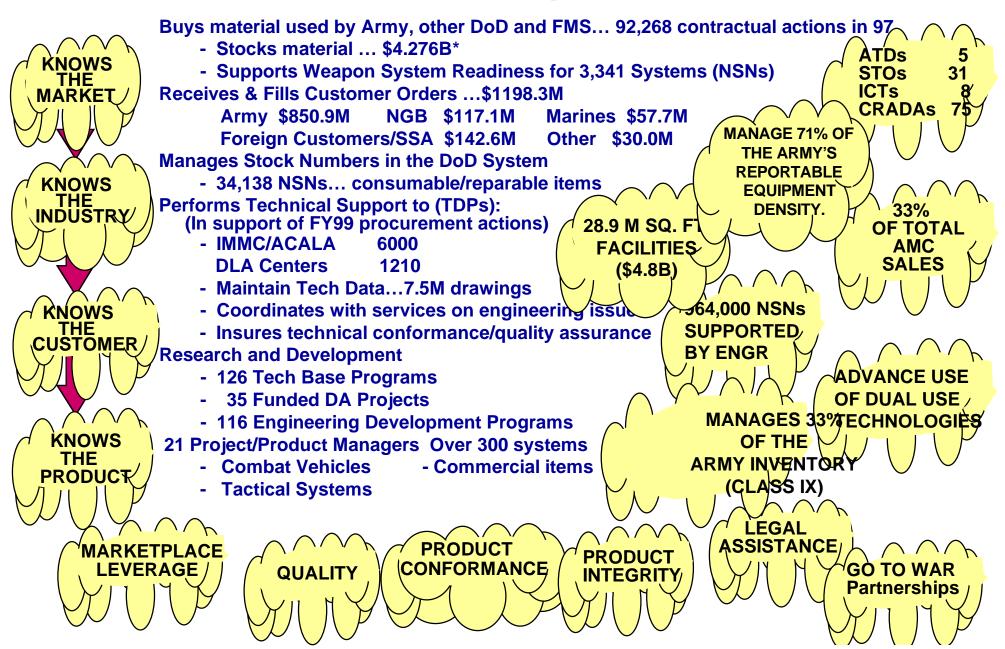




A corporate management structure for which the organizing principle is multi-functional work teams to institutionalize the concept of integrated process teams; a highly decentralized structure which uses the integrated data environment to link desk top "servers" to facilitate the transformation of data into actionable information to enable more efficient, fully integrated business operations at reduced cost.

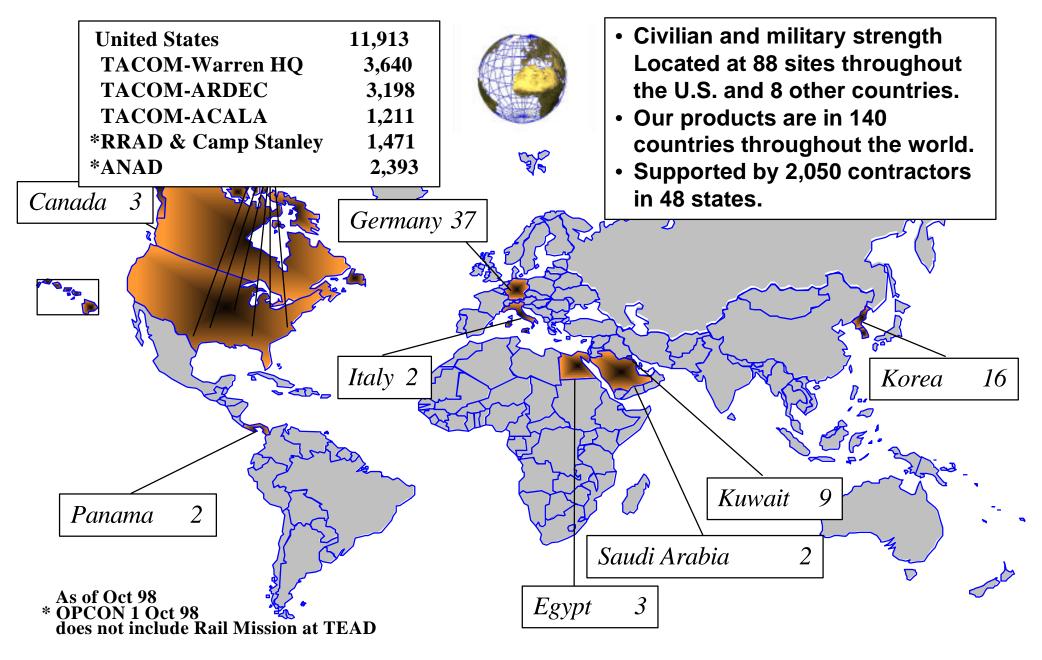
TACOM's Business

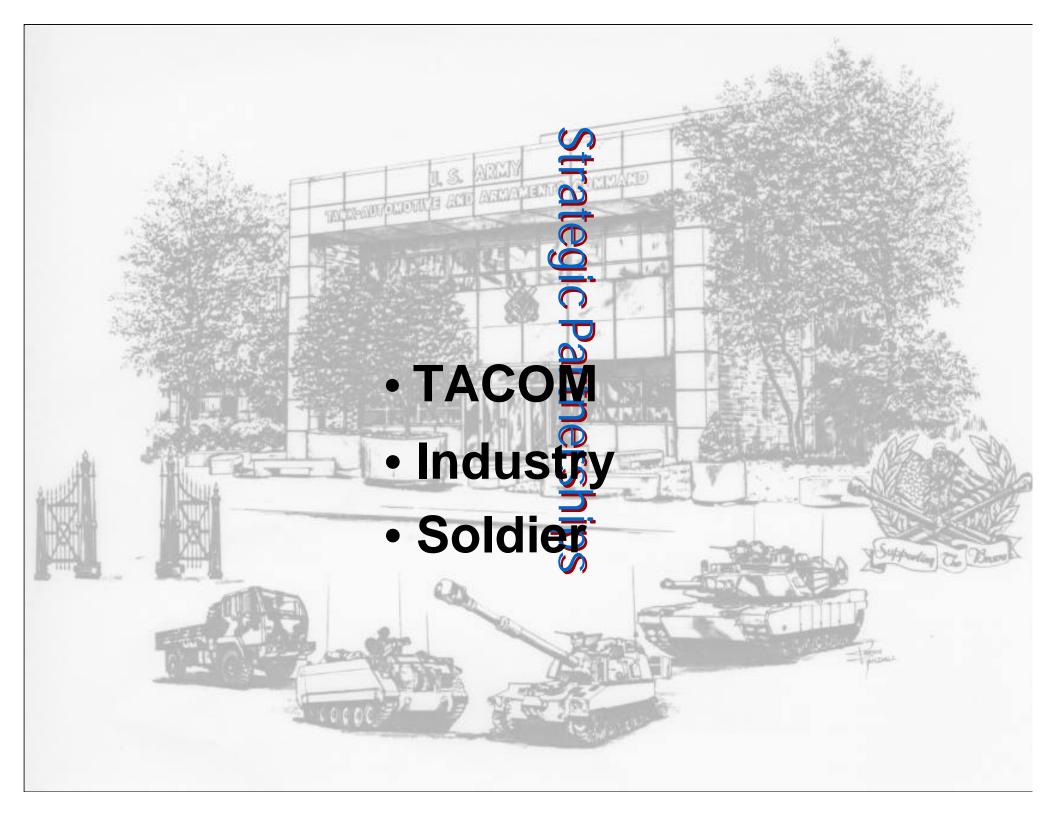
.....A Public Corporation.....



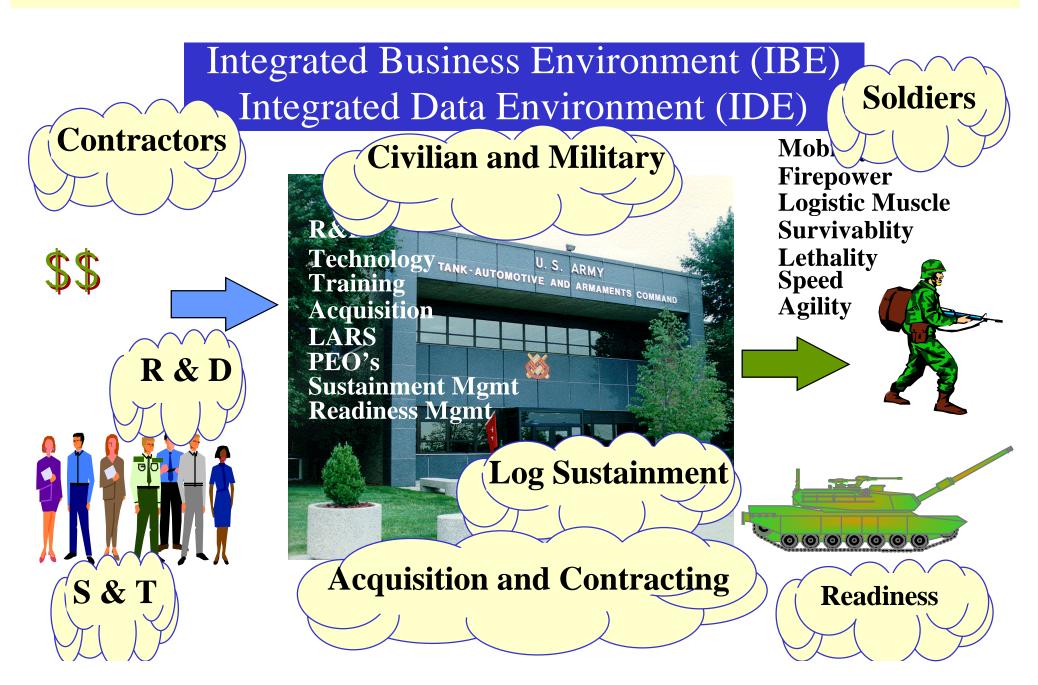
TACOM 11,913 Worldwide

Civilian and Military,

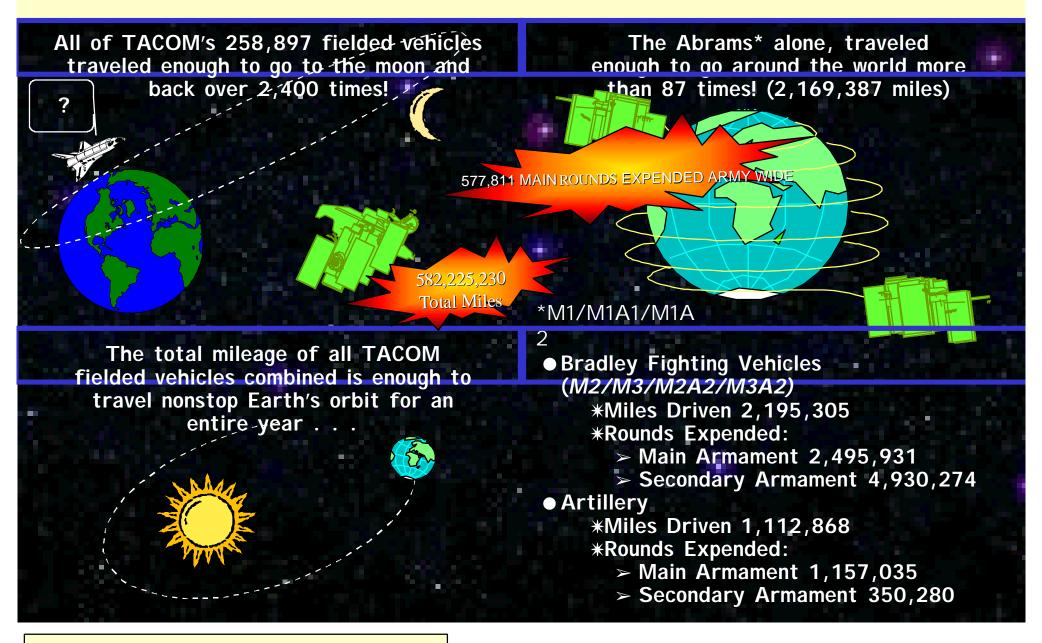




TACOM... The Army's Integrated Manager for Ground Combat Support Systems.



TACOM Facts!



Based on OSMIS 1996 data (12 months)

Looking At Our Business

What We're Looking For:

- Reduce Fractionated Processes
- Clear Customer Relationships
 - -- Higher
 - -- Lower
 - -- Lateral
- Fluid, Flexible Structure
- Synergized Capability
- Clear Lines of Responsibility
- Improved Management of the Corporate Mission
- Link: Functional Management to Resource Management
- Link: Business Operations to Soldier/Unit Readiness
- Link: Revenue to Readiness



Making Sustainment,
Acquisition and
Technology Work for
The Soldier

Looking At Our Business

Business

Issues To Meet Our Vision We Must...



Manage From The Customer Perspective

Increase Direct Vendor Deliveries to Our Customers

Increase Long Term Contracts With Our Vendors

Increase the Use of Electronic Commerce

Buy Response, Not Inventory

Reduce Costs / Reduce the Surcharge

Reduce the Age of Our Back Orders

Reduce Administrative and Production Lead Times

Reduce Inventory

Looking At Our Business

The Challenges

Reduced Budget

Declining / Lost Sales

Continued Downsizing

Streamlining Acquisition

New Commercial Practices





Corporate Information Management Development

Reduce The Surcharge

UUK PAKINEKS IN

INDUSTRY Projected

Projected
FY99 Total Contracts

Total Contracts

\$4.6 Billion

FY98 \$4.1B



LARGE BUSINESS \$3.4 BILLION

SMALL BUSINESS* \$.790 BILLION

SDB FY98 \$.111B

-WOSB FY98 \$.0**5**3B

FY98 \$.565B

FMS

\$.413 BILLION

...Small Disadvantaged \$.110 B

...Women Owned

\$.051 B

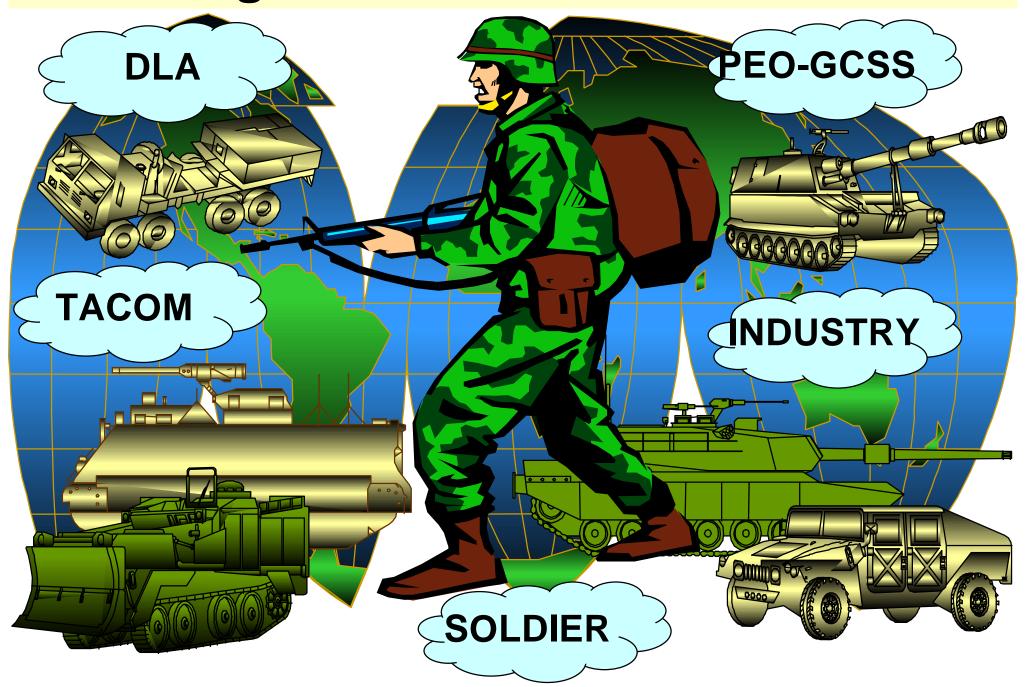
* Small Business Goal. Computed on Total Projections Minus FMS

AT LEAST 349,180 JOBS EXPECTED TO BE GENERATED*

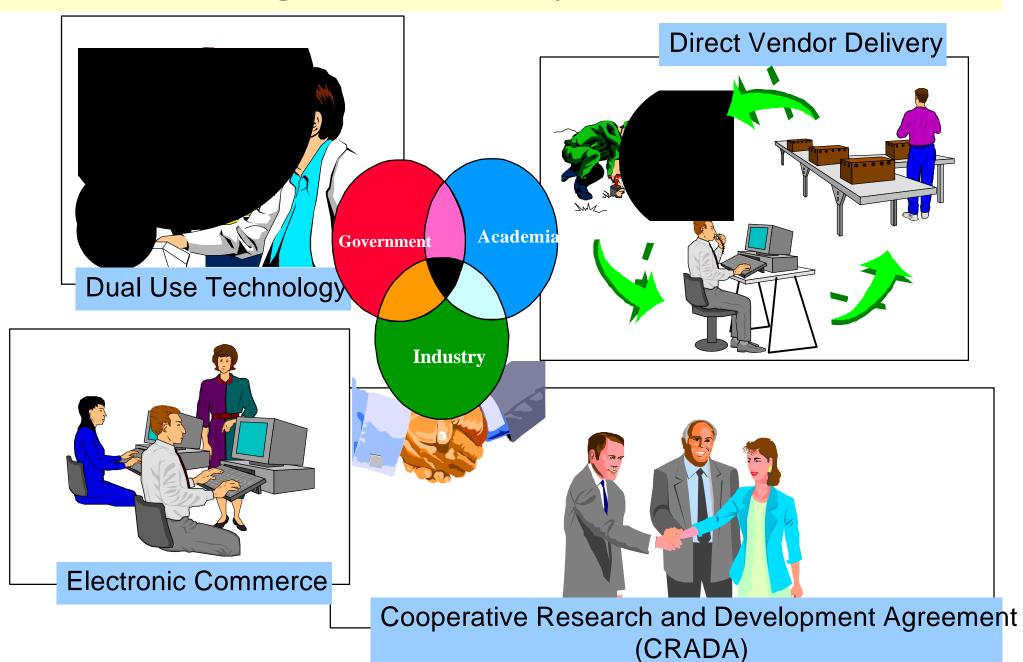


*Job Multipliers, National Chamber Foundation, 1993

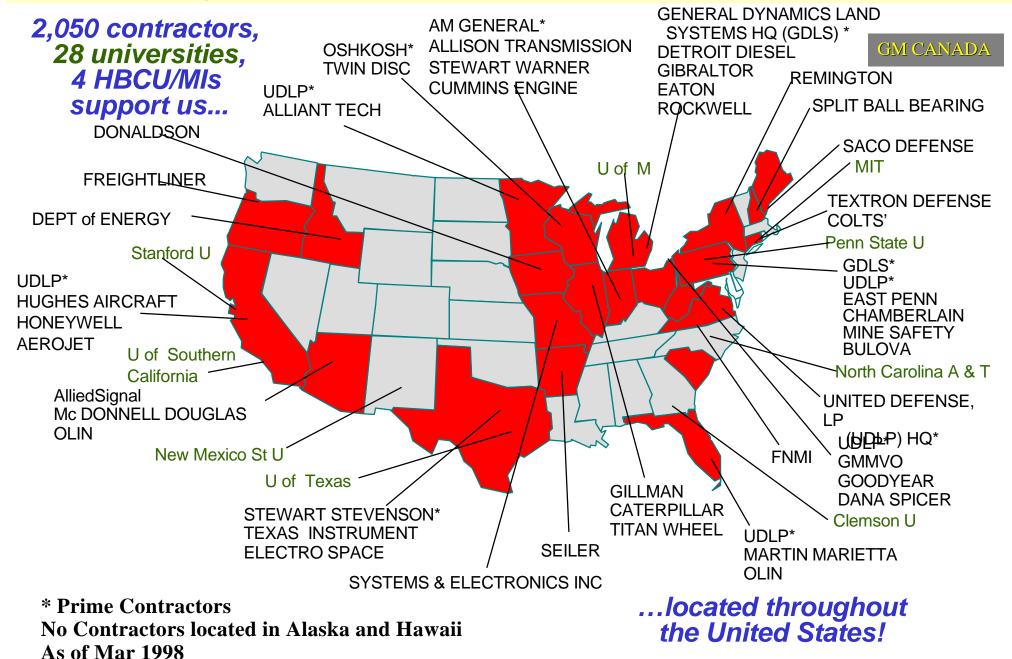
Strategic Partners and the Soldier



Teaming With Industry And Academia



Weapon System Prime And Major Subcontractors In 23 States





COMMON GOALS

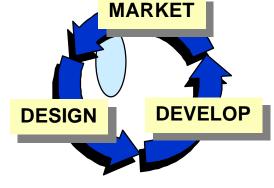
- Manage From the Customer Perspective...
- Increase Customer Satisfaction
- Reduce the Cost of Doing Business
- Work the Partnerships:

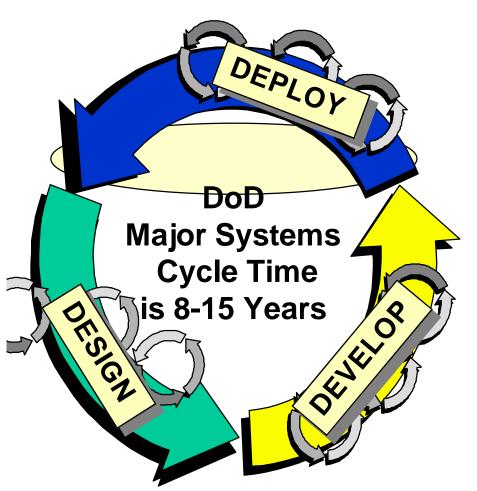


COMMITMENT TO OUR

- Customers...
 - **We Are Your Partners In Readiness**
 - Suppliers... Professional Business Relationships--Mutually Beneficial
- Associates...Challenging,
 Satisfying Work- A Stake In The Corporation
- Stockholders...
 Good Stewardship

Why Civilian/Military Industry Integration?





Commercial market has new technology 4 to 8 times faster

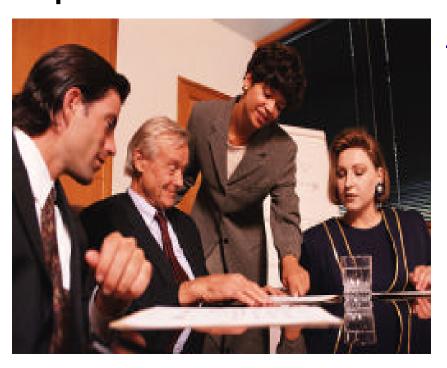
Supporting
Technology is
Constantly Evolving

Technology Cycle Times:

Electronics - 18 months
Control Systems - 6 yrs
Engines - 14 yrs
Structures - 25 yrs

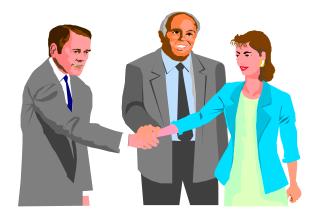
Partnering...

- ✓ Establishes mutual goals and objectives
- ✓ Reduces contract performance time and cost
- ✓ Reduces administration, oversight and paperwork
- ✓ Improves morale, promotes professionalism, builds trust, encourages open communication
- ✓ Eliminates surprises, resolves problems
- ✓ Uses Alternative Dispute Resolution procedures



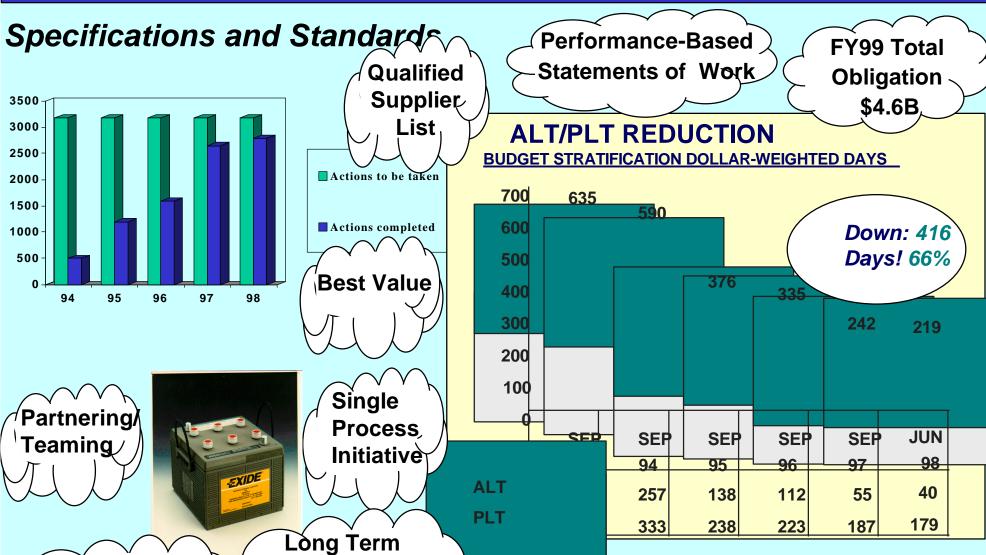


- ✓ Mandatory
- ✓ A one-way street
- Successful without total commitment
- ✓ A waiver of the parties' contractual rights
- Inconsistent with any acquisitionrelated statute or regulation
- ✓ Contrary to the government's business interests





Acquisition Streamlining Thrusts



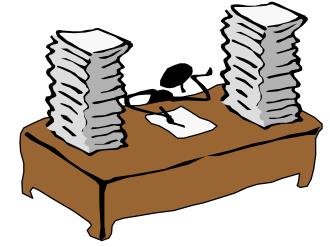
Alpha Contracting
Cut Time To
Award Over 50%

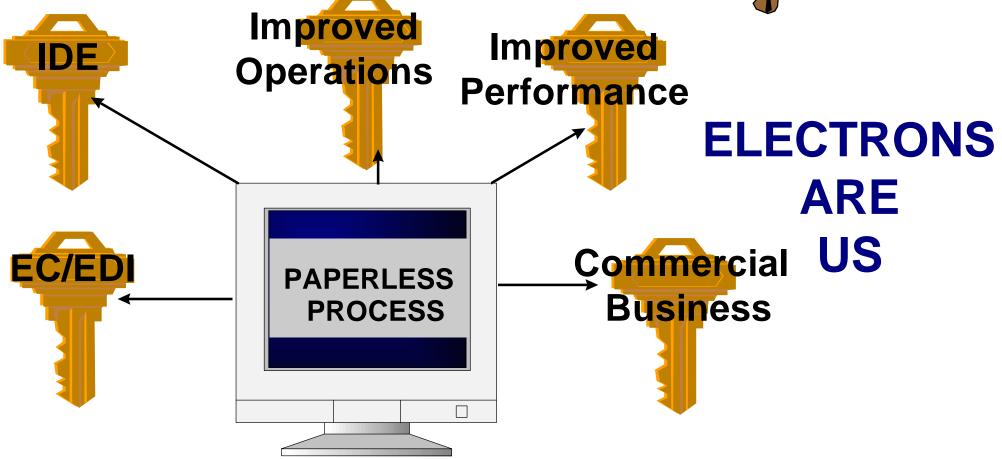
Contracts More
Than 35% Of
Spares On 3-5
Yr Contracts

Exceeded AMC FY98 Strat, Linear Goals
Exceeded TACOM FY97 280 day goal

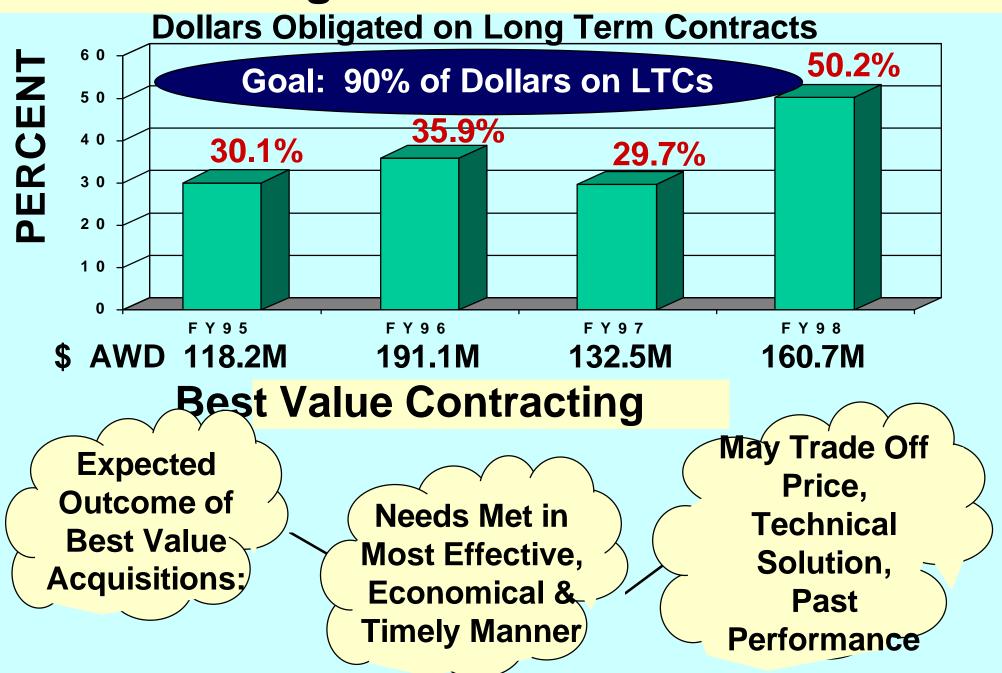
PAPERLESS ACQUISITION PROCESS

TO DEVELOP A PROCESS WHERE NO PAPER IS MANDATED IN THE ACQUISITION OF AN ITEM FROM REQUIREMENT DEFINITION THRU CONTRACT AWARD, ADMINISTRATION AND CLOSEOUT





Long Term Contracts



Corporate Contracts

g Term Contracts which cover a range of supplies / services

Supports the Needs of Many Agencies & Customers



Reduce Time Reduce Cost

Reduced Admin
Cost and
Improved
Efficiency

Alpha ontracting

Clearly Defined Requirement is Necessary

QSL

Qualified Supplier List

QSL Suppliers
Compete for
Non-Complex
Items

SPI

Single Process Initiative

One Plant
One Process
for Military &
Commercial



ISITION REFORM . . . IS IT WORKING?

Acquisition Reform Implementation Assessment Team

Acquisition Reform: A Journey... Not a Destination

It has to work... From General Officer ———

To Contracting Officer ——— to Contractor ————

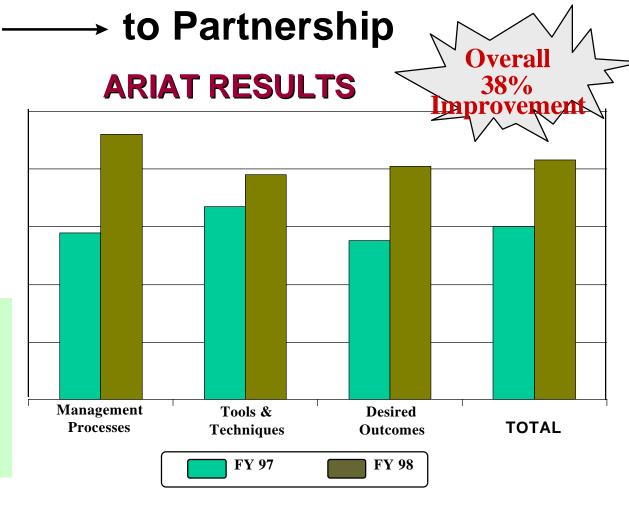
Management Processes

Tools & Techniques

Contract Mgmt Review

Desired Process Outcomes

Shared Risk Shared Responsibility Shared Objectives Shared Benefits



Y NEEDS ARE CHANGING

TODAY'S ARMY

- Smaller, More Lethal
- Increased OPTEMPO
- Power Projection







ARMY XXI

- Information Dominance
- Revolution in Business Affairs
- Increase in Technology Insertion

COMPETENCIES

CORE



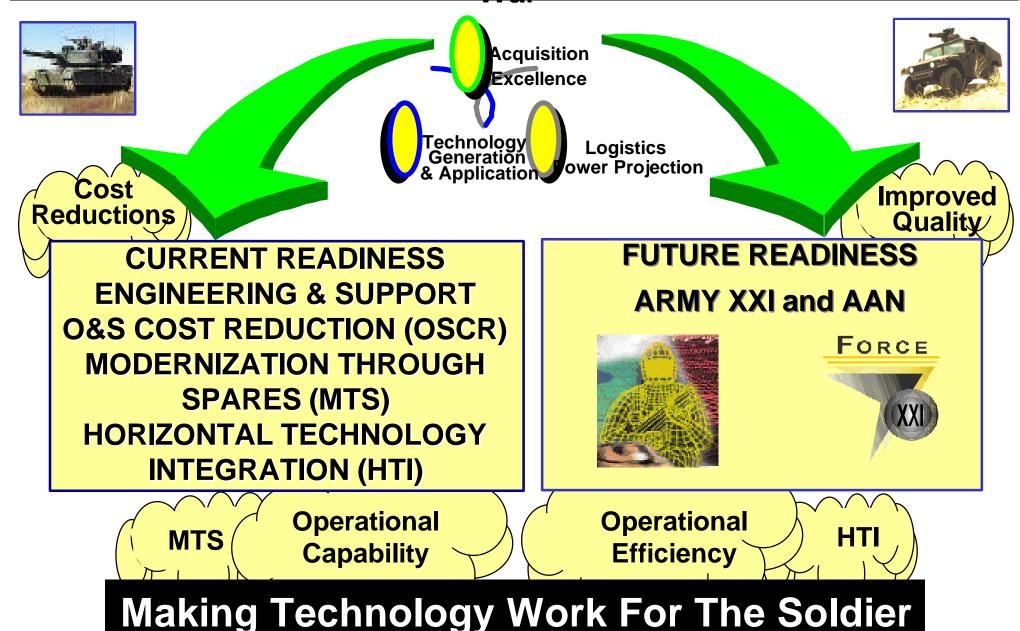


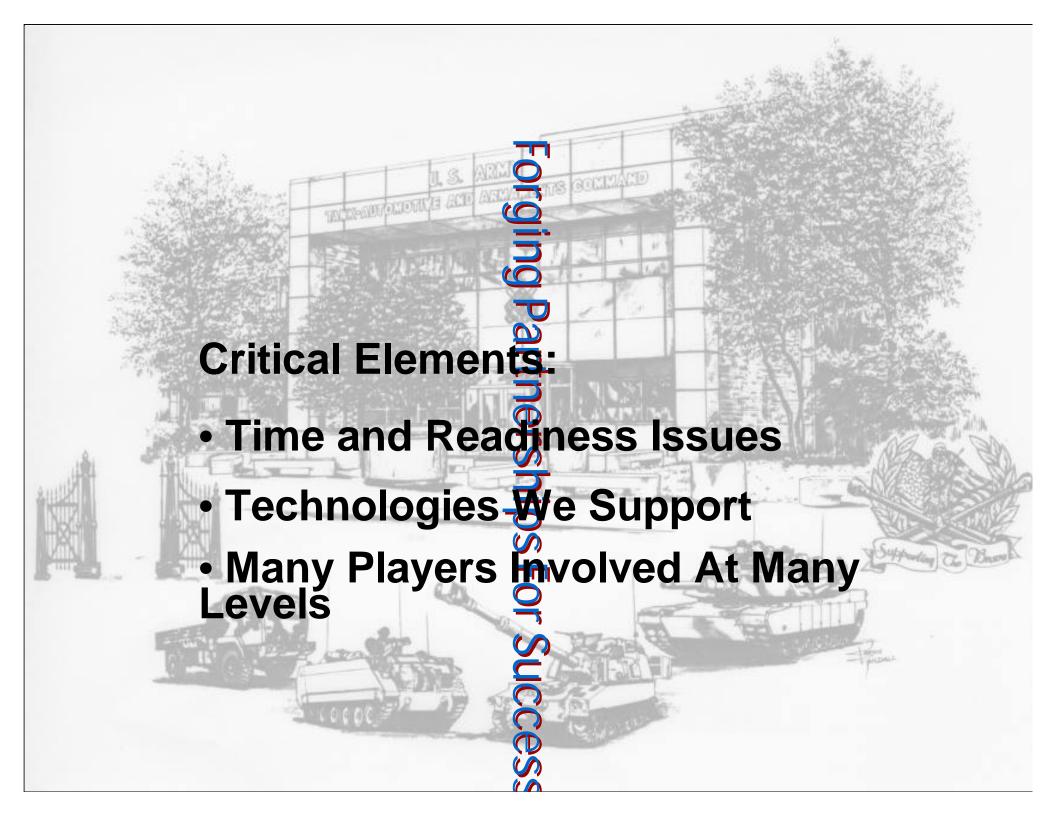
ARMY AFTER NEXT

- Leap Ahead Technology
- Real-Time Log Control
- Precision Logistics

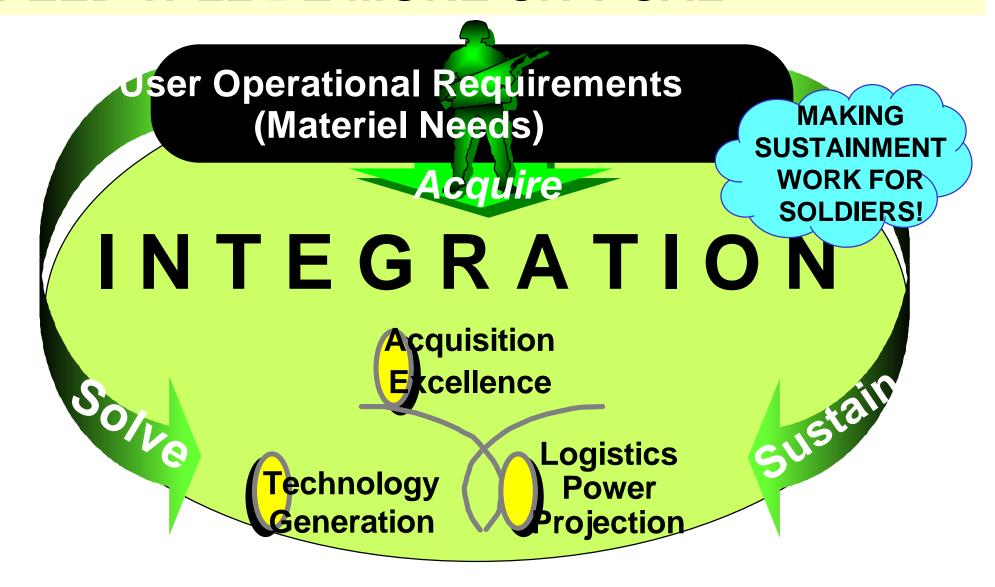
Technology Generation and Application

Research and Development Supporting The Business Of War





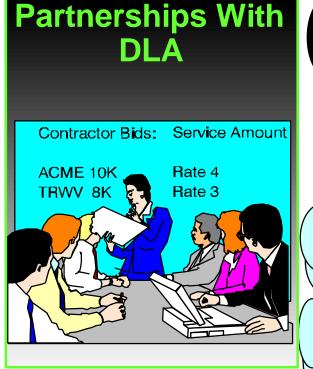
SPEED WILL BE MORE CRITICAL

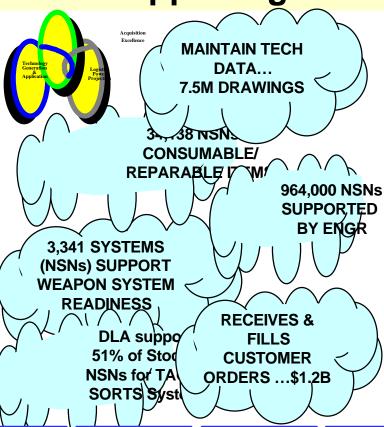


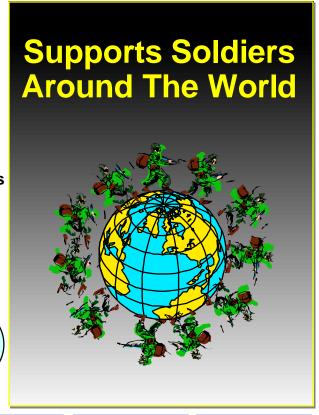
READINESS Result...

Logistics Power Projection

Materiel Management Supporting The Business Of War









M1A1 ABRAM



M1A2 ABRAMS



M3 BRADLEY CFV



M2 BRADLEY IFV



M109 PALADIN A6



M966 HMMWV



M198 155mm Med Howitzer



M983 HEMTT TRACTOR

Making Sustainment Work For The Soldier

Meeting The Challenge Of The Future With Dual Use Technologies

- *** Collision Warning System**
- * Radiography
- *** Cubane Chemistry**
- **** Autoloader Technology**
- ** Four Stroke Direct Injected Diesel Engine
- * Waste Oil Reutilization
- **** Metal Matrix Composites**
- Integrated Infrastructure
- * Shaped Charge Warheads



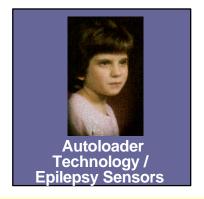


- * Automated Baggage Inspection
 - * Antiviral/HIV Research
 - * Epilepsy Sensors
 - * Lightweight, Fuel Efficient Future Engines
 - * Fuel Savings & Disposal of Used Eng Oil
 - * Improved Composite Performance
 - * Compatibility for Dissimilar Computer **Systems**
 - * Oil and Gas Exploration









LOG FOCUS SUSTAINMENT



Contractors

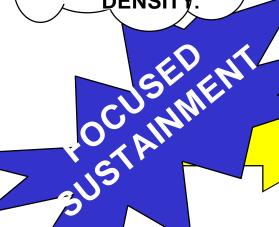
PARTIES TACOM T

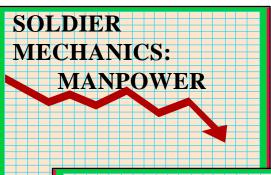
TACOM - THE SUSTAINMENT INTEGRATOR -



Red River Army Depot

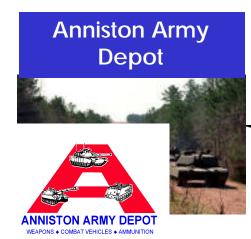
TACOM MANAGES
71% OF THE ARMY'S
REPORTABLE
EQUIPMENT
DENSITY.





SOLDIER MECHANICS: TRAINING

- DIAGNOSTICS
- TRAINING
- ON DEMAND MECHANICS
- LOG DATA PRODUCTS

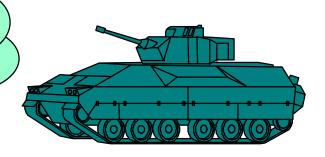




THE TECHNOLOGY REVOLUTION

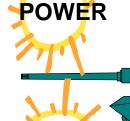




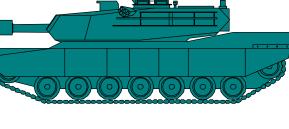




materials



SPEED



Technology Applications

Smart/Brilliant Munitions

Sensors

Robotics

Advanced Mfg Processes

Fuels

STRENGTHS at ellite Communications

Intelligent Networks

Voice Activated Automation

Diagnostic Systems

STEALTHArtificial Intelligence

Nanotechnology

A Revolution in Business Affairs . . .

- Reducing Overhead & Streamlining Infrastructure
- Taking Maximum Advantage of Acquisition Reform
- Competitive Sourcing and Privatizing
- Leveraging Commercial Technology, Dual-Use Technology & Open Systems
- Partnering with Business and Industry to Leverage Resources
- PReducing Unneeded Standards & Specifications
- Utilizing Integrated Process & Product Development
- Increasing Cooperative Development Programs
 With Allies to Win on the Battlefield of Change

LUGIO I ICO

✓ Distribution-Based: **Property Of Stribution**

✓ Distribution-Based: Logistics Velocity, not Logistics Mass

- ✓ Real-Time Situational Understanding
- ✓ New Organizational Designs
 With a Seamless Logistics System
- ✓ Supporting Our Soldiers' Needs

Objectives of Logistics Revolution

- * Improve service to the warfighter
- *** Reduce costs to enable modernization**
- Eliminate infrastructure while dramatically improving response time
- * Reduce logistics footprint to enhance agility



CHANGING FOR OUR OWN SURVIVAL

Old Ways CANNOT Be New Ways!

ARMY NEEDS



- Rapid Deployment
- Battlefield Mobility
- Maximum Flexibility
- Situational Awareness

Power Projection



Mass of Logistics Systems

- 72 Log Systems/Hundreds of Databases
- Secondary Item Inventory \$9 Billion
- Five Maint Levels from Operation to Depot
- Over 7 Million Requisitions Annually

Army Resources

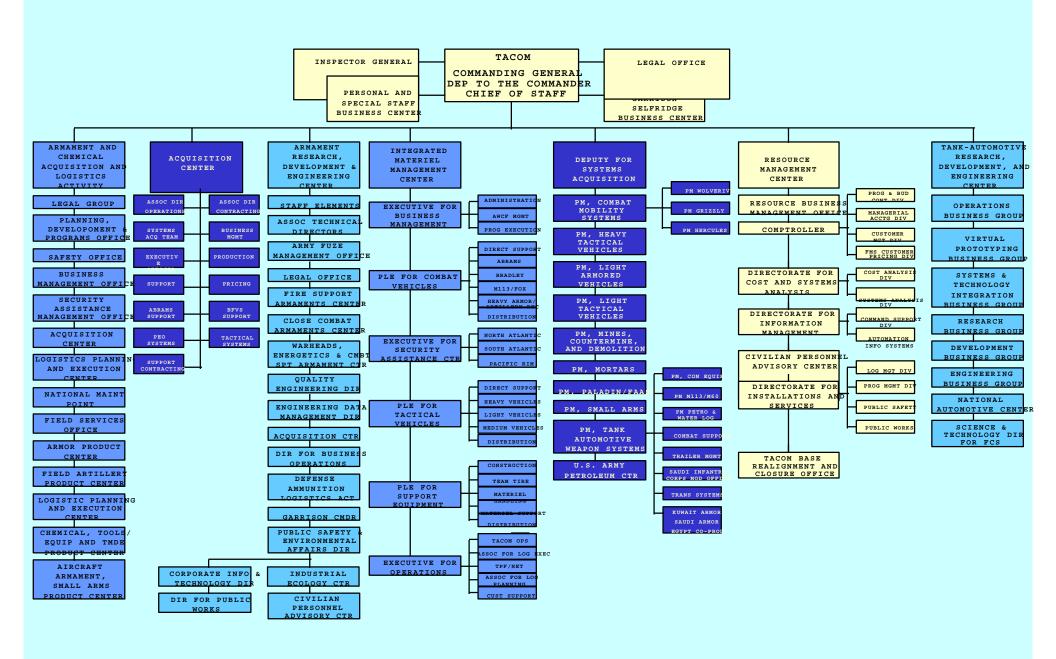
FY89 FY03 %
Civ 403K 233K 42
Mil 769K 495K 36



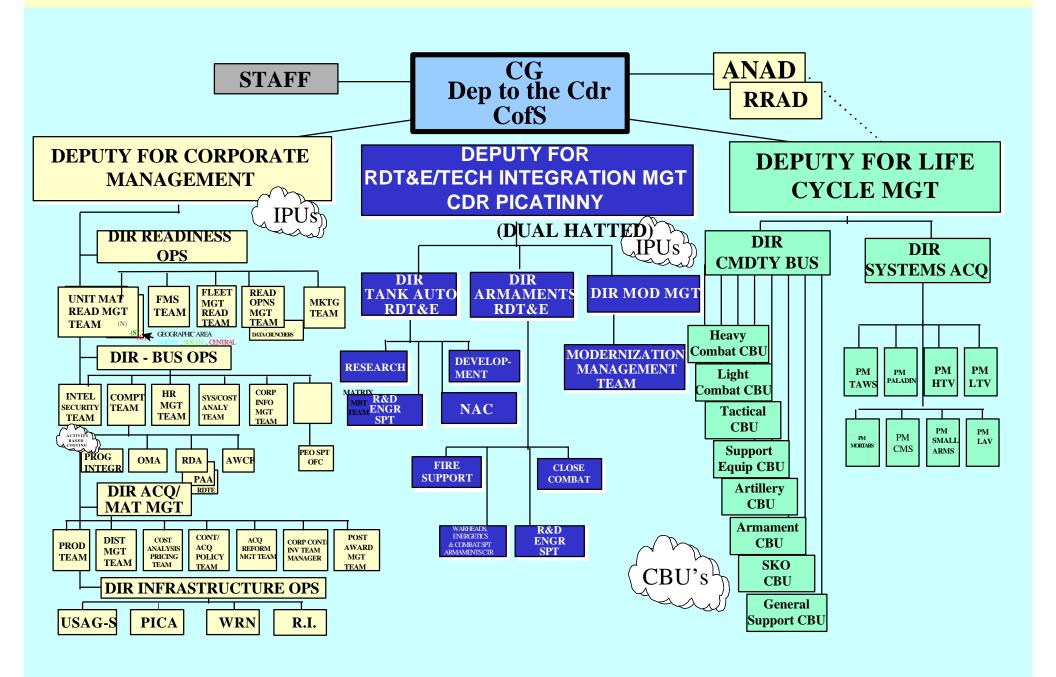
Velocity

Precision

Tank-automotive and Armaments COMmand



TACOM of the Future (Concept)





Ennanced Defense Posture &

Readiness

RIGHT STUFF......RIGHT PLACE......RIGHT TIME



Successful Organizations

Will Seize the

Opportunities That

Change Brings!



Enhanced Business Growth

LEADER BASED...BUSINESS CENTERED...CUSTOMER-FOCUSED FIRM



WILL FIND GOOD OPPORTUNITIES FOR GROWTH





WILL HELP PROMOTE A STRONG SOCIE







bal Security Environment Has Changed

- Regional Instabilities
- >>> Increasing Potential for Asymmetric Threats
- Proliferation of Advanced Technology
- **Key Uncertainties (Russia & China)**
- ** Transnational Dangers
- Domestic Threats/Weapons of Mass Destruction
- Complex Human Emergencies

 Suggesting Increased Demand for Land Forces

Our Nation's Defense Strategy Has Changed . . .

Shape

The International Security Environment



Respond

To the Full Spectrum of Crises

Prepare Now

To Meet Future Challenges



In Response to the Changing Global Security Arena

Bottom Line



The World Has Changed...

SO



TACOM Must Change....



and



We Are Changing!!!

Tank-automotive & Armaments COMmand We Are Your Partners In Readiness





TACOM STRETCH **GOALS FOR** FY00 = 190 DAYS: ALT = 40 DAY

PLT = 150 DAY

PRODUC





ULTIMATE TACOM ALT GOAL 48 HOURS!!!

INTEGRATE AND AUTOMATE ALL ACQUISITION PRE- AND POST-AWARD DOCUMENTS AND PROCESSES

SOLDIER

PARTNERSHIPS HELP US ALL SUCCEED

EMBRACE QUALITY REFORMS AT ALL LEVELS

Quality

Reforms

INDUSTRY



to Expect From This APBI

• Vision

A fully integrated business environment connected by a fully integrated data environment using commercial business processes to integrate business operations within each organization, across major Commands, across Services, across DoD and across Industry.

Communication

We need your insight to help us improve our business, to discuss emerging strategies and technologies, to resolve problems, to alert us to potential opportunities for growth and to consider possible resources for next year.

Visibility

Bringing us all together to look inside our processes, to understand our environment, to discuss, debate, and to understand emerging insights that are important to us







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